Action Item	16
-------------	----

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	June 26, 2019
MOTOR CARRIER MATTER		DOCKET NO.	2019-89-E
UTILITIES MATTER	✓	ORDER NO.	2019-473

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

<u>DOCKET NO. 2019-89-E</u> - <u>Application of Duke Energy Carolinas, LLC for Approval of Rider 11, Demand-Side Management and Energy Efficiency for 2020</u> - Staff Presents for Commission Consideration Duke Energy Carolinas, LLC's Request for Approval of the Amended Application of Rider 11, Demand-Side Management and Energy Efficiency for 2020.

COMMISSION ACTION:

On June 11, 2019, Duke Carolinas filed an amended application seeking approval of Rider 11 to its demand side management and energy efficiency programs for the calendar year 2020. In conjunction, Duke also requests that it be allowed to recover the costs of its Interruptible Service and Stand-By Generator programs ("Existing DSM Programs") as a component of this Rider 11.

On June 14, 2019, the Office of Regulatory Staff filed a review report, stating the Company is seeking recovery of \$82,903,103 with \$37,077,223 (or 45%) attributed to residential customers and \$45,825,880 (or 55%) attributed to non-residential customers to cover the revenue requirements of Rider 11. Based on its review, ORS recommends a reduction of \$2,536 to the Company's total system program costs to account for the removal of certain expenses that were either not allowable for ratemaking purposes or were incorrectly categorized.

ORS finds that the programs continue to perform well. Realized cumulative energy savings have exceeded the anticipated energy savings by fifty-seven percent (57%), and although the number of non-residential opt-outs has increased, the Company has responded by creating an additional opt-in window and by adding programs that target non-residential customers. ORS also finds that the updated DSM and EE Rate Riders were developed in accordance with the terms and conditions set forth by the Commission and are based on reasonable estimates of participation in the Company's DSM and EE programs.

This rider would be effective from January 1, 2020, through December 31, 2020. Accepting the ORS adjustment, the average residential customer using 1,000 kWh per month would experience a decrease of approximately \$1.60 per month.

Based on the information presented in Duke's Amended Application and the ORS report I move that we approve Rider 11 to its demand side management and energy

efficiency programs for the calendar year 2020 along with recovery of costs associated with its existing Interruptible Service and Stand-By Generator programs.

I recommend that we strongly encourage the Company to consider the parties' comments in this docket as it evaluates and implements these programs.

PRESIDING: <u>Randall</u>				SESSION: Regular TIME: _2						p.m.		
	MOTION	YES	NO	OTHER								
BELSER		✓										
ERVIN	✓	✓										
HAMILTON		✓										
HOWARD		✓										
RANDALL		✓										
WHITFIELD		✓										
WILLIAMS		✓										
(SEAL))						RECOF	RDED	BY: <u>C</u>). Eas	terling	<u>a</u>

